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One intellectual has said: "Communist investigators have two favorite questions: Is the Soviet Union an imperialist nation, and will a third world war break out? Most informed persons know the Communist answer to these questions, and say 'No' to both."

The Communists have founded a "First of August" University in Nan-ch'ang to commemorate the setting up of the First Communist Army there on that date in 1927. One day, a discussion group was being held in the university; the subject was whether a third world war would break out, and if so, whether the Soviet Union would win. The walls were placarded with calls for expression of opinions. A great discussion ensued. Many held that the war would break out, and that the Soviet Union would lose. The next day, those who had expressed such views were charged with being "Kuomintang special agents."

So far, the Communists seem able to control the people, and, within Kiangsi, conditions are about normal. It is said there are still some guerrillas in the hill country of south Kiangsi, but they are no threat to highways or railroads. In Kwangtung, the CCP has less control and has not stopped banditry or anti-Communist guerrilla attacks. Canton is not under control, but conditions have become better. Robberies occur, even as in KMT days. Police were mostly absent. They were attending school, the writer was told. Hotel men warned him to keep off the streets. Shops open at 1100, and close at 1700. Throughout the province, villages have ramparts and home guards. Communists try to take arms from the people, but without much success. Another difficulty the Communists have is that of getting the people to accept the people's currency. Although prohibited, Hong Kong dollars still circulate. The authorities are discouraging their use through a propaganda campaign by workmen and students.

My first experience with the Communist regime in Nan-ch'ang was through the extortion of a ricksha puller. With other newcomers I was held up for ten times the ordinary fare. When I was leaving for the railroad station, I asked the hotel to hire a truck for my baggage, to escape the extortions of the ricksha-pullers. The hotel man declined, saying that when trucks went to the station to get baggage, the drivers were beaten up by the ricksha-pullers and charged with being capitalists who exploited the pullers. When I was coming to the hotel, and was being held up for a fare higher than the price agreed upon, I became angry and wanted to send the coolie to the police station. The hotel men begged me not to because the police always support the coolies.

The Communists have made good progress in restoring railroad bridges, but trains must proceed slowly when crossing them. Some highway bridges have been washed away, so ferries must be used. When I came to the Kan Chiang, there were some 40 commercial vehicles lined up waiting to cross, some having been there 5 days. Military vehicles have priority for crossing. I was in a vehicle owned by the government-operated transport company. The ferrymen gave it permission to cross ahead of the others, but the guards forbade such permission. Luckily, there were two soldiers in the vehicle, who jumped out and argued with the guards. As a result, the crossing was made without further delay. -- Chang Kuo-hsing

GRAIN LEVIES SEVERE IN CHUNG-SHAN -- Hong Kong Kung-shang Jih-pao, 27, 28 Jan 50

The Communists, like the Japanese before them, have seized upon Chung-shan Hsien's abundant production of grain as a rich source of supply for their troops.

The Red Army's actions are astounding. The landlords' grain was sealed off; then, repeatedly grain and fuel were borrowed from them and from rich and medium peasants. In less than a month a universal campaign of borrowing was started. Each mou was assessed 1½, 2, or 3 catties, under the plea of "army grain to help the front." After this, the landlords were asked to lend grain -- 30, 40, or 50

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catties per mou -- without any definite classification of land. In some places the requisition went up to 70 catties per mou. Those who had more, lent more; those who had less, lent less.

In December 1949, the Communist authorities published regulations for the requisitioning of grain. The general principle is that a landlord must surrender 40-50 percent of the grain he takes in; rich peasants, 35-45; working peasants and medium peasants, 10-15; poor peasants, 5 percent. But when the Red Army comes into a village, it does not act according to this principle.

CANTON REGISTERS PERSONS, LAND -- Hong Kong Kung-shang Jih-pao, 9 Feb 50

In Canton, great stress has been laid on a careful census of population and on taxation.

A month ago, the authorities began a general survey, with a new registration of homes. The survey has not been completed, because of the difficulty of keeping up with migrants. It has been ordered that all migrants to the city or all urban dwellers who in the last 3 months went to the country but are now returning to the city, must register and get a shop guarantee and civic card before they can move in. No unenumerated families are allowed to dwell in the city.

Population officials are held responsible for the appearance of such families or persons, so they watch the coming and going of migrants. Canton's population is now nearing a million, and it is densest in the broad Hui-fu district, inhabited by the poor.

Merchants say it used to be hard doing business under the old regime, when officials infringed on the profits, but business could still go on somehow. Now there is no chance to reduce or escape business taxes, and profits are genuinely restricted, so the trader finds life harder all the time. To lay in goods he must get a business license; to ship goods he must pay a stamp tax or have it deducted at the month-end accounting; he must pay a business tax and a profits tax. Water and electricity costs have been raised. Employees may not be discharged. If he wants to close down, he may not, and if he wants to open up, he cannot. Like the gold merchants, he can neither go backward nor forward. The authorities have decided that a merchant may not suspend or close business without obtaining permission. If he wishes to close, he must pay all taxes and give employees severance pay. If the manager closes down without attending to all this, he is arrested as a tax-evader, while the owner must assume responsibility for the taxes before renting to another.

Search in the country for unregistered land and property continues. When the Reds begin requisitioning grain, search for such land begins with zest. Hired men and tenants are brought into an assembly and a committee to hunt for such land is formed. No landlords are admitted. The tenants must point out, on a previously prepared chart, what parcels they cultivate. After measurement, a mark is made at the boundary line. All parcels lacking that mark are termed "black" and are confiscated by the government, so the peasants dare not conceal any land. If an owner tries to do so, the tenants report him. Of course the real objects of the "black" land hunt are the landlords and rich peasants. If they are found concealing land, a mass attack is started against them.

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